

		<p>सीमा शुल्क के प्रधान आयुक्त का कार्यालय सीमा शुल्क सदन, मुंद्रा, कच्छ, गुजरात OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS CUSTOMS HOUSE, MUNDRA PORT, KUTCH, GUJARAT-370421. Email- Group4-mundra@gov.in</p>	
A	FILE NO./फ़ाइल संख्या	CUS/APR/INV/303/2026-Gr-4	
B	OIO NO./आदेश संख्या	MCH/ADC/ZDC/53/2026-27	
C	PASSED BY/जारीकर्ता	Dipak Zala, ADDITIONAL COMMISSIONER, Customs House, Mundra.	
D	DATE OF ORDER/आदेश की तारीख	27.04.2026	
E	DATE OF ISSUE/जारी करने की तिथि	27.04.2026	
F	SCN No. & Date/कारण बताओ नोटिस क्रमांक	Importer requested for Waiver of PH & SCN vide letter dated 23.04.2026.	
G	NOTICEE/ PARTY/ IMPORTER नोटिसकर्ता/पार्टी/आयातक	M/s Nysha Enterprise, 248-249, First Floor, Block D-15, Sector-3, Rohini, New Delhi-110085.	
H	DIN/दस्तावेज़ पहचान संख्या	20260471MO0000668806	

- यह आदेश संबंधित को निःशुल्क प्रदान किया जाता है।
This Order - in - Original is granted to the concerned free of charge.
- यदि कोई व्यक्ति इस आदेश से असंतुष्ट है तो वह सीमाशुल्क अपील नियमावली 1982 के नियम 3 के साथ पठित सीमाशुल्क अधिनियम 1962 की धारा 128 A के अंतर्गत प्रपत्र सीए- 1 में चार प्रतियों में नीचे बताए गए पते पर अपील कर सकता है-
Any person aggrieved by this Order - in - Original may file an appeal under Section 128A of Customs Act, 1962 read with Rule 3 of the Customs (Appeals) Rules, 1982 in quadruplicate in Form C. A. -1 to:

**“सीमाशुल्क आयुक्त (अपील (मुंद्रा),
चौथी मंजिल, हुडको बिल्डिंग, ईश्वरभवन रोड,
नवरंगपुरा, अहमदाबाद 380 009”**

“THE COMMISSIONER OF CUSTOMS (APPEALS), MUNDRA

**HAVING HIS OFFICE AT 4TH FLOOR, HUDCO BUILDING, ISHWAR BHUVAN ROAD,
NAVRANGPURA, AHMEDABAD-380 009.”**

3. उक्त अपील यह आदेश भेजने की दिनांक से 60 दिन के भीतर दाखिल की जानी चाहिए।

Appeal shall be filed within sixty days from the date of communication of this order.

4. उक्त अपील के पर न्यायालय शुल्क अधिनियम के तहत 5/- रुपये का टिकट लगा होना चाहिए और इसके साथ निम्नलिखित अवश्य संलग्न किया जाए-

Appeal should be accompanied by a fee of Rs. 5/- under Court Fee Act it must be accompanied by

- (i) उक्त अपील की एक प्रति और A copy of the appeal, and
(ii) इस आदेश की यह प्रति अथवा कोई अन्य प्रति जिस पर अनुसूची-1 के अनुसार न्यायालय शुल्क अधिनियम-1870 के मद सं०-6 में निर्धारित 5/- रुपये का न्यायालय शुल्क टिकट अवश्य लगा होना चाहिए।

This copy of the order or any other copy of this order, which must bear a Court Fee Stamp of Rs. 5/- (Rupees Five only) as prescribed under Schedule – I, Item 6 of the Court Fees Act, 1870.

5. अपील ज्ञापन के साथ ड्यूटी/ ब्याज/ दण्ड/ जुर्माना आदि के भुगतान का प्रमाण संलग्न किया जाना चाहिये।

Proof of payment of duty / interest / fine / penalty etc. should be attached with the appeal memo.

6. अपील प्रस्तुत करते समय, सीमाशुल्क (अपील) नियम, 1982 और सीमाशुल्क अधिनियम, 1962 के अन्य सभी प्रावधानों के तहत सभी मामलों का पालन किया जाना चाहिए।

While submitting the appeal, the Customs (Appeals) Rules, 1982 and other provisions of the Customs Act, 1962 should be adhered to in all respects.

7. इस आदेश के विरुद्ध अपील हेतु जहां शुल्क या शुल्क और जुर्माना विवाद में हो, अथवा दण्ड में, जहां केवल जुर्माना विवाद में हो, Commissioner (A) के समक्ष मांग शुल्क का 7.5% भुगतान करना होगा।

An appeal against this order shall lie before the Commissioner (A) on payment of 7.5% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute.

BRIEF FACTS OF THE CASE

M/s Nysha Enterprise, 248-249, First Floor, Block D-15, Sector-3, Rohini, New Delhi-110085 (hereinafter referred to as 'the said importer') has filed Z type Bill of Entry No. 7215638 dated 30.01.2026 at APSEZ. On the basis of specific intelligence, it appeared that the goods covered under Z type Bill of Entry No. 7215638 dated 30.01.2026 (Bill of Lading No. EGLV141501276691 dated 02.01.2026) filed by the importer may have potential mis-declaration/concealment. Accordingly, the B/E was put on hold by the SIIB, Mundra. The details of the Bill of Entry are as below:

Table-I**(1 USD = 91.2 INR)**

Sr. No.	CTH	Description	Unit Price (In USD)	Quantity (In Kgs)	Amount (In USD)	Amount (In Rs.)
1	73181500	IRON SCREW	1.46	1030	1503.8	1,37,147
2	73170019	Concrete Nail	0.60	22480	13488.0	12,30,105
Total				23510	14991.8	13,67,252

2.

Examination of the Goods:
The goods

Report dated 09.02.2026 at the premises of M/s. OWS Warehouse Services LLP, Adani Port & SEZ, Mundra in the presence of Shri Narendra Sinh G. Jadeja, authorised representative of the importer M/s. Nysha Enterprise and Shri Mansukhbhai Ramjibhai, Senior Executive of M/s. OWS Warehouse Services LLP, APSEZ, Mundra. Shri Narendra Sinh G. Jadeja, Authorised representative of Importer produced documents relating to the consignment, namely Z-BE No. 7215638 dated 30.01.2026 along with invoice, packing list and Bill of Lading. Thereafter, Shri Mansukhbhai R Vayalu, Senior Executive of M/s. OWS Warehouse Services LLP submitted the weighment slip generated at the CFS weighbridge. The details are as under:

Table-II

Sr. No.	Bill of Entry No & Date	Containers No	Gross Weight declared in BE/BL (in Kgs)	Gross Weight (Kgs) as per weighment Slip of CFS	Difference Excess (Kgs)
1	7215638 dated 30.01.2026	EGHU390124 2	27522.6	28180	657.4

Further, the SIIB officer checked the seal intact on the containers and verified the seal no. from the Bill of Lading and same was found as per BL. After verification the seal of containers was cut and doors were opened. On opening of the door, it was found that the container was stuffed with white and yellow

coloured PP woven packing bags, the contents of which were yet to be examined. Subsequently, the container was completely de-stuffed. After complete de-stuffing of the container, random packages were selected and cut open for examination. On examination, the goods contained therein were found to be Nails and Screws. Thereafter, the bags containing Nails and Screws were segregated separately. Further, random weighing of the bags was carried out and it was observed that the weight of one bag was approximately 25 kg in respect of both the items. Subsequently, physical counting of the bags were conducted and it was found that Iron Screw bags were 1080 in number and Nails bags were 42 in number, as against the declared quantity of Iron Screw bags as 42 and Nails bags as 1080. The details of the examination conducted are as under:

Table-III

Sr. No.	Description of goods	No of bags	Approx. Weight of Each Bag (kg)	Total Weight (In Kgs)
1.	Iron Screw	1080	25	27000
2.	Nails	42	25	1050

Therefore, it is confirmed that the goods were found mis-declared in terms of quantity.

3. Compliance of Policy conditions:

3.1. The goods mentioned at Sr. No. 1 of Table-III are found as Cross Recessed Screw and same falls under the compulsory registration with BIS as per IS No. 18471:2023 issued by DPIIT Notification dated 27.08.2025 w.e.f. from 01.11.2025.

3.2. The Government of India vide Notification No. 55/2023 dated 03.01.2024 has amended the import policy of CTH 7318 from Free to Prohibited with condition of MIP. Accordingly, the imported mis-declared goods i.e. Cross Recessed Screw (Assorted size) found during the examination become prohibited as per import policy of CTH 7318. The relevant extract of Notification No. 55/2023 dated 03.01.2024 is as below:

**Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Foreign Trade**

Notification No. 55/2023

New Delhi, Dated: 3rd January, 2024

Subject: Amendment in Import Policy and Policy condition of Screws covered under HS code 7318 of Chapter 73 of Schedule-I (Import Policy) of ITC (HS) 2022.

S.O. (E): In exercise of powers conferred by Section 3 and Section 5 of the Foreign Trade (Development & Regulation) Act, 1992, read with paragraph 1.02 and 2.01 of the Foreign Trade Policy 2023, as amended from time to time, the Central Government hereby amends the import policy and policy condition for specific HS codes covered under Chapter 73 of the ITC (HS), 2022, Schedule-I (Import Policy) as under:

Revised Import Policy

HS Code	Item Description	Existing Import Policy	Existing Policy Condition	Revised Import Policy	Revised Policy Condition
73181110	Threaded articles – Coach Screws – Machine screws	Free	Subject to Policy condition no. 2 and 3 of this Chapter	Prohibited	However, import is “Free” if CIF value is ₹ 129/- or above per Kg and subject to Policy condition no. 2 and 3 of this Chapter
73181190	Threaded articles – Coach Screws – Other	Free	Subject to Policy condition no. 2 and 3	Prohibited	However, import is “Free” if CIF value is ₹ 129/- or above per Kg and subject to Policy condition no. 2 and 3
73181200	Threaded articles – Other wood screws	Free	Subject to Policy condition no. 2 and 3	Prohibited	However, import is “Free” if CIF value is ₹ 129/- or above per Kg and subject to Policy condition no. 2 and 3
73181300	Threaded articles – Screw hooks and screw rings	Free	Subject to Policy condition no. 2 and 3	Prohibited	However, import is “Free” if CIF value is ₹ 129/- or above per Kg and subject to Policy condition no. 2 and 3
73181400	Threaded articles – Self-tapping screws	Free	Subject to Policy condition no. 2 and 3	Prohibited	However, import is “Free” if CIF value is ₹ 129/- or above per Kg and subject to Policy condition no. 2 and 3
73181500	Threaded articles – Other screws and bolts, whether or	Free	Subject to Policy condition no. 2 and 3	Prohibited	However, import is “Free” if CIF value is ₹ 129/- or above per Kg and

	<i>not with nuts or washers</i>				<i>subject to Policy condition no. 2 and 3</i>
73181900	<i>Threaded articles – Other</i>	<i>Free</i>	<i>Subject to Policy condition no. 2 and 3</i>	<i>Prohibited</i>	<i>However, import is “Free” if CIF value is ₹129/- or above per Kg and subject to Policy condition no. 2 and 3</i>

Effect of the notification:

*The Import Policy of screws under ITC (HS) Codes **73181110, 73181190, 73181200, 73181300, 73181400, 73181500, and 73181900** is revised from “Free” to “Prohibited.” However, import shall be “Free” if CIF value is ₹129/- or above per Kg. This issues with the approval of the Minister of Commerce & Industry.*

3.3. As per Policy Condition 2 & 3 of Chapter 73, the goods imported under all HS codes of Chapter 73 needs compulsory registration of the goods under SIMS (Steel Import Monitoring System). The importer goods at Sr. No. 1 of Table-I has declared as Iron Screw however, the goods were found mis-declared during the examination i.e. Cross Recessed Screws. Accordingly, the mis-declared goods become prohibited for import. The importer has submitted SIMS application No. MOSSIMS290126430569 dated 29.01.2026 with short quantity i.e. 1030 Kg for the same. Further, the importer has submitted SIMS application No. MOSSIMS290126430570 dated 29.01.2026 for the goods mentioned at Sr. No. 2 of Table-I.

From the above para, it clearly appears that the mis-declared goods mentioned at Sr. No.1 of Table-III i.e. Cross Recessed Screws were prohibited due to non-compliance of BIS as per above said Notification and non-compliance of SIMS. Accordingly, the said goods are liable for confiscation under Section 111(d), 111(l) and 111(m) of the Customs Act, 1962 and the importer is also liable for penalty under Section 112(a)(i) and 114AA. Further, the goods mentioned at Sr. No. 2 of Table-III i.e. Concrete Nails were found mis-declared in terms of short quantity. Accordingly, the said goods are liable for confiscation under Section 111(m) of the Customs Act, 1962 and the importer is also liable for penalty under Section 112(a)(ii) and 114AA.

4. Re-Determination of Value:

During the examination, it is observed that the Bill of Entry suggests deliberate mis-declaration of quantity. In the Z type Bill of Entry No. 7215638

dated 30.01.2026, submitted by the importer, the quantities declared, as detailed above, however, during examination, mis-declaration w.r.t. quantity was found, as listed in Table I and III above, thus value, hence they were liable to be re-assessed under section 17(4) of the Customs Act, 1962. Further, the value declared by the importer in the corresponding Bill of Entry and invoices did not appear to be the true transaction value under the provisions of Section 14 of the Customs Act, 1962 read with the provisions of the Customs Valuation (determination of Value of Imported Goods) Rules, 2007 and thus the same appear liable to be rejected in terms of Rule 12 of CVR, 2007. The value is required to be re-determined by sequentially proceeding in terms of Rules 4 & 5 of CVR, 2007. Further, the Import Policy of screws under ITC (HS) Codes 73181110, 73181190, 73181200, 73181300, 73181400, 73181500 and 73181900 is revised from "Free" to "Prohibited." However, import shall be "Free" if CIF value is ₹129/- or above per Kg.

As per Table-I, the declared CIF value of goods mentioned at Sr. No. 1 is more than ₹129/- or above per Kg. and the declared CIF value of goods mentioned at Sr. No. 2 appears to be correct as per NIDB data. Therefore, the value of consignments is revaluated as per quantity found during the examination are as under:

Table-IV

(1 USD = 91.2 INR)

Sr. No.	CTH	Description	Unit Price (In USD)	Quantity (In Kgs)	Amount (In USD)	Amount (In Rs.)
1	73181500	Cross Recessed Screws	1.46	27000	39420	3595104
2	73170019	Concrete Nail	0.60	1050	630	57456
TOTAL				28050	40050	36,52,560

The re-determined the value of the goods as Rs. 36,52,560/- instead of declared value of Rs. 13,67,252/-.

5. **Re-determination of Duty:**

5.1. Based on the foregoing paragraphs, it is evident that the importer has attempted to evade payment of duties and taxes by mis-declaring the imported goods in terms of quantity and description. The duty liability for the goods found during examination is ascertained as under:

Table-V

Sr. No.	Item	CTH	Total Quantity (In Kgs)	Re-determine C.I.F. Value as per Table-IV (In Rs.)	BCD @ 15% or 10%	SWS @ 10% of BCD	IGST @ 18%	Total Duty (in Rs.)
1	Cross Recessed Screws	73181500	27000	3595104	539266	53927	753893	13,47,086
2.	Concrete Nails	73170019	1050	57456	5746	575	11480	17,801
Total			28050	36,52,560	5,45,012	54,502	7,65,373	13,64,887

From the Table V above, it appears that the total duty liability of the importer is Rs. 13,64,887/-. The importer in the Z type BE No. 7215638 dated 30.01.2026, has declared the value of the goods as Rs. 13,67,252/- and calculated the applicable duties and taxes on the good declared, based on the declared value and classification in the Bill of Entry as Rs. 4,32,476/-.

5.2. Based on the calculations as per Table V, the importer is required to pay/levy a differential liability of Rs. 9,32,411/- on the mis-declared goods after adjustment.

6. **LEGAL PROVISIONS:**

6.1. As per **Section 2 (33)** of the Customs Act, 1962 'prohibited goods' means *any goods the import or export of which is subject to any prohibition under this Act or any other law for the time being in force but does not include any such goods in respect of which the conditions subject to which the goods are permitted to be imported or exported have been complied with.*

6.2. As per Section 2 (39), '**smuggling**', in relation to any goods, means *any act or omission which will render such goods liable to confiscation under section 111 or section 113;*

6.3. **Section 46** of the Act, prescribes that the importer while presenting a bill of entry shall make and subscribe to a declaration as to the truth of the contents of such bill of entry and shall, in support of such declaration, produce to the proper officer the invoice, if any, and such other documents relating to the imported goods as may be prescribed.

6.4. Further, **Section 111** of the Act, prescribes the Confiscation of improperly imported goods, etc. as under

The following goods brought from a place outside India shall be liable for confiscation:

(d) any goods which are imported or attempted to be imported or are brought within the Indian customs waters for the purpose of being imported, contrary to any prohibition imposed by or under this Act or any other law for the time being in force;

(l) any dutiable or prohibited goods which are not included or are in excess of those included in the entry made under this Act, or in the case of baggage in the declaration made under section 77;

(m) any goods which do not correspond in respect of value or in any other particular with the entry made under this Act or in the case of baggage with the declaration made under Section 77 in respect thereof, or in the case of goods under transshipment, with the declaration for transshipment referred to in the proviso to sub-section (1) of section 54.

6.5. **Further, Section 112** of the Act provides the penal provisions for improper importation of goods, etc. which read as under:

Any person, -

(a) who, in relation to any goods, does or omits to do any act which act or omission would render such goods liable to confiscation under section 111, or abets the doing or omission of such an act, or

(b) who acquires possession of or is in any way concerned in carrying, removing, depositing, harbouring, keeping, concealing, selling or purchasing, or in any other manner dealing with any goods which he knows or has reason to believe are liable to confiscation under section 111,

shall be liable, -

(i) in the case of goods in respect of which any prohibition is in force under this Act or any other law for the time being in force, to a penalty not exceeding the value of the goods or five thousand rupees, whichever is the greater;

(ii) in the case of dutiable goods, other than prohibited goods, subject to the provisions of section 114A, to a penalty not exceeding ten per cent. of the duty sought to be evaded or five thousand rupees, whichever is higher:

Provided that where such duty as determined under sub-section (8) of section 28 and the interest payable thereon under section 28AA is

paid within thirty days from the date of communication of the order of the proper officer determining such duty, the amount of penalty liable to be paid by such person under this section shall be twenty-five per cent. of the penalty so determined;]

(iii) in the case of goods in respect of which the value stated in the entry made under this Act or in the case of baggage, in the declaration made under section 77 (in either case hereafter in this section referred to as the declared value) is higher than the value thereof, to a penalty not exceeding the difference between the declared value and the value thereof or five thousand rupees], whichever is the greater;

(iv) in the case of goods falling both under clauses (i) and (iii), to a penalty not exceeding the value of the goods or the difference between the declared value and the value thereof or five thousand rupees], whichever is the highest;

(v) in the case of goods falling both under clauses (ii) and (iii), to a penalty not exceeding the duty sought to be evaded on such goods or the difference between the declared value and the value thereof or five thousand rupees, whichever is the highest.

6.6. 114AA. *Penalty for use of false and incorrect material.—If a person knowingly or intentionally makes, signs or uses, or causes to be made, signed or used, any declaration, statement or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of this Act, shall be liable to a penalty not exceeding five times the value of goods.*

6.7. **Section 124** prescribes the mandatory issuance of show cause notice before confiscation of goods, which read as under:

No order confiscating any goods or imposing any penalty on any person shall be made under this Chapter unless the owner of the goods or such person –

- (a) is given a notice in writing with the prior approval of the officer of Customs not below the rank of an Assistant Commissioner of Customs, informing him of the grounds on which it is proposed to confiscate the goods or to impose a penalty;*
- (b) is given an opportunity of making a representation in writing within such reasonable time as may be specified in the notice against the grounds of confiscation or imposition of penalty mentioned therein; and*
- (c) is given a reasonable opportunity of being heard in the matter:*
Provided that the notice referred to in clause (a) and the representation referred to in clause (b) may, at the request of the person concerned be oral.

Provided further that notwithstanding issue of notice under this section, the proper officer may issue a supplementary notice under such circumstances and in such manner as may be prescribed.

6.8. **Section 125** provides the Option to pay fine in lieu of confiscation as under:

(1) Whenever confiscation of any goods is authorised by this Act, the officer adjudging it may, in the case of any goods, the importation or exportation whereof is prohibited under this Act or under any other law for the time being in force, and shall, in the case of any other goods, give to the owner of the goods or, where such owner is not known, the person from whose possession or custody such goods have been seized, an option to pay in lieu of confiscation such fine as the said officer thinks fit:

Provided that where the proceedings are deemed to be concluded under the proviso to sub-section (2) of section 28 or under clause (i) of sub-section (6) of that section in respect of the goods which are not prohibited or restricted, 3 [no such fine shall be imposed]:

Provided further that, without prejudice to the provisions of the proviso to sub-section (2) of section 115, such fine shall not exceed the market price of the goods confiscated, less in the case of imported goods the duty chargeable thereon.

(2) Where any fine in lieu of confiscation of goods is imposed under sub-section (1), the owner of such goods or the person referred to in sub-section (1), shall, in addition, be liable to any duty and charges payable in respect of such goods.]

(3) Where the fine imposed under sub-section (1) is not paid within a period of one hundred and twenty days from the date of option given thereunder, such option shall become void, unless an appeal against such order is pending.

6.9. **Relevant Provisions of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007:**

“Rule 4. Transaction value of identical goods. - (1) (a) Subject to the provisions of rule 3, the value of imported goods shall be the transaction value of identical goods sold for export to India and imported at or about the same time as the goods being valued;

.....

(3) *In applying this rule, if more than one transaction value of identical goods is found, the lowest such value shall be used to determine the value of imported goods.*

“Rule 5. Transaction value of similar goods. - (1) *Subject to the provisions of rule 3, the value of imported goods shall be the transaction value of similar goods sold for export to India and imported at or about the same time as the goods being valued:*

Provided that

(2) *The provisions of clauses (b) and (c) of sub-rule (1), sub-rule (2) and sub-rule (3), of rule 4 shall, mutatis mutandis, also apply in respect of similar goods.*

Rule 7. Deductive value.-

(1) *Subject to the provisions of rule 3, if the goods being valued or identical or similar imported goods are sold in India, in the condition as imported at or about the time at which the declaration for determination of value is presented, the value of imported goods shall be based on the unit price at which the imported goods or identical or similar imported goods are sold in the greatest aggregate quantity to persons who are not related to the sellers in India, subject to the following deductions : -*

(i) *either the commission usually paid or agreed to be paid or the additions usually made for profits and general expenses in connection with sales in India of imported goods of the same class or kind;*

(ii) *the usual costs of transport and insurance and associated costs incurred within India;*

(iii) *the customs duties and other taxes payable in India by reason of importation or sale of the goods.*

(2) *If neither the imported goods nor identical nor similar imported goods are sold at or about the same time of importation of the goods being valued, the value of imported goods shall, subject otherwise to the provisions of sub-rule (1), be based on the unit price at which the imported goods or identical or similar imported goods are sold in India, at the earliest date after importation but before the expiry of ninety days after such importation.*

(3) (a) *If neither the imported goods nor identical nor similar imported goods are sold in India in the condition as imported, then, the value shall be based on the unit price at which the imported goods, after further processing, are sold in the greatest aggregate quantity to persons who are not related to the seller in India.*

(b) *In such determination, due allowance shall be made for the value added by processing and the deductions provided for in items (i) to (iii) of sub-rule (1).*

Rule 8. Computed value.-

Subject to the provisions of rule 3, the value of imported goods shall be based on a computed value, which shall consist of the sum of:-

- (a) the cost or value of materials and fabrication or other processing employed in producing the imported goods;*
- (b) an amount for profit and general expenses equal to that usually reflected in sales of goods of the same class or kind as the goods being valued which are made by producers in the country of exportation for export to India;*
- (c) the cost or value of all other expenses under sub-rule (2) of rule 10.*

Rule 9. Residual method:-

(1) Subject to the provisions of rule 3, where the value of imported goods cannot be determined under the provisions of any of the preceding rules, the value shall be determined using reasonable means consistent with the principles and general provisions of these rules and on the basis of data available in India;

Provided that the value so determined shall not exceed the price at which such or like goods are ordinarily sold or offered for sale for delivery at the time and place of importation in the course of international trade, when the seller or buyer has no interest in the business of other and price is the sole consideration for the sale or offer for sale.

(2) No value shall be determined under the provisions of" this rule on the basis of –

- (i) the selling price in India of the goods produced in India;*
- (ii) a system which provides for the acceptance for customs purposes of the highest of the two alternative values;*
- (iii) the price of the goods on the domestic market of the country of exportation;*
- (iv) the cost of production other than computed values which have been determined for identical or similar goods in accordance with the provisions of rule 8;*
- (v) the price of the goods for the export to a country other than India;*
- (vi) minimum customs values; or*
- (vii) arbitrary or fictitious values.*

Rule 12. Rejection of declared value. - *(1) When the proper officer has reason to doubt the truth or accuracy of the value declared in relation to any imported goods, he may ask the importer of such goods to furnish further information including documents or other evidence and if, after receiving such further information, or in the absence of a response of such importer, the proper officer still has reasonable doubt about the truth or accuracy of the*

value so declared, it shall be deemed that the transaction value of such imported goods cannot be determined under the provisions of sub-rule (1) of rule 3.

7. OUTCOME OF THE INVESTIGATION:

7.1. As discussed in foregoing paras, it appears that the goods imported and covered under Z type Bill of Entry No. 7215638 dated 30.01.2026 have been mis-declared by the said importer in terms of description and quantity. In fact, mis-declared goods i.e. Cross Recessed Screws were found during the examination. The goods Cross Recessed Screw are prohibited for import as per DGFT Notification No. 55/2023 dated 03.01.2024 and SIMS non-compliance.

7.2. Here, it is pertinent to mention that the importer has declared assessable value of these items as **Rs. 13,67,252/-** in the Z type Bill of Entry No. 7215638 dated 30.01.2026 filed by them, which is otherwise re-determined to the tune of **Rs. 36,52,560/-** in terms of Rule 4 & 5 of CVR, 2007 as discussed in foregoing paras. Thus, the valuation of the imported item shown at Z type BE needs to be rejected under Rule 12 of the CVR, 2007 and requires to be re-determined as **Rs. 36,52,560/-** in terms of Rule 4 & 5 of CVR,2007. Accordingly, it appears that the importer has contravened Section 14 and Section 46 of the Customs Act, 1962 read with Rule 11 of the CVR, 2007 in as much as they failed to declare correct value of the goods in the Customs document filed by them.

7.3. The importer in the Z type BE No. 7215638 dated 30.01.2026, has declared the value of the goods as **Rs. 13,67,252/-** and calculated the applicable duties and taxes on the good declared, based on the declared value and classification in the Z type Bill of Entry as Rs. 4,32,476/-. Based on the calculations as per Table V, the importer is required to pay/levy a differential liability of **Rs. 9,32,411/-**, on the mis-declared goods in terms of quantity after adjustment. This amount represents the additional duty and tax liability that the importer must pay due to the mis-declaration in terms of quantity.

7.4. From the above para it clearly appears that the mis-declared goods mentioned at Sr. No. 1 of Table-IV i.e. Cross Recessed Screws having re-determined valued at total **Rs. 35,95,104/-** were prohibited in non-compliance of BIS as per above said Notification and non-compliance of SIMS. Accordingly, the said goods are liable for confiscation under Section 111(d), 111(l) and 111(m) of the Customs Act, 1962 and the importer is also liable for penalty under Section 112(a)(i) and Section 114AA.

7.5. Further, the goods mentioned at Sr. No. 2 of Table-V having re-determined value of **Rs. 57,456/-** were found mis-declared in terms of quantity. Accordingly, the said goods are liable for confiscation under the provisions of Section 111(m) of the Customs Act, 1962. Accordingly, the importer has also rendered themselves liable for penal action under Section 112(a)(ii) and 114AA of the Customs Act, 1962.

8. **In view of the above, it appears that: -**

- (i) The declared description and quantity of the goods mentioned in the Z type Bill of Entry No. 7215638 dated 30.01.2026 is liable to be rejected and same needs to be re-determined as per above discussion.
- (ii) The declared value of the goods imported under Bill of Entry No. 7215638 dated 30.01.2026, i.e. **Rs. 13,67,252/-** is liable to be rejected, under Rule 12 of the CVR, 2007 and required to be re-determined as **Rs. 36,52,560/-** in terms of Rule 4 & 5 of CVR, 2007.
- (iii) The self-assessment done by the importer is liable to be rejected and the Z type Bill of Entry No. 7215638 dated 30.01.2026 needs to be re-assessed with the differential duty under Section 17(4) of the Customs Act, 1962.
- (iv) The imported goods mentioned at Sr. No. 1 of Table-IV under Z type Bill of Entry No. 7215638 dated 30.01.2026 having re-determined value of **Rs. 35,95,104/-** is liable for confiscation under Sections 111(d), 111(l) & 111(m) of the Customs Act, 1962 for **non-compliance of SIMS and BIS**.
- (v) The imported goods mentioned at Sr. No. 2 of Table-IV under Bill of Entry No. 7215638 dated 30.01.2026 having re-determined value of **Rs. 57,456/-** is liable for confiscation under Section 111(m) of the Customs Act, 1962.
- (vi) The importer M/s. Nysha Enterprise is liable for penalty under Section 112 (a)(i), 112 (a)(ii) and 114AA of the Customs Act, 1962.

9. The importer vide email dated 10.04.2026 has submitted that the cargo is not as per our order, our supplier has acknowledged that there was an inadvertent error in the loading of the cargo due to workload and has expressed willingness to accept the return of the cargo. Further, he **requested to kindly permit re-export of the said consignment** and also requested to decide the matter on merit and they do not want any SCN and PH in the matter.

Further, the importer vide letter dated 23.04.2026 has requested for waiver of issuance of Show Cause Notice and grant of Personal Hearing. They have further requested permission for re-export of the said consignment. The importer also produced a letter from the supplier stating that they acknowledge an inadvertent error occurred during the loading of the consignment due to operational workload. They regret this mistake and are willing to accept the return of the cargo.

DISCUSSION AND FINDINGS

10. I have carefully gone through the records of the case, investigation report dated 21.04.2026 and the applicable provisions of law. The importer i.e M/s., Nysha Enterprise vide letter dated 23.04.2026 requested for waiver of Show Cause Notice and Personal hearing. Now, I proceed to decide the case on the basis of documentary evidence available on records, statutory provisions and judicial precedents. I find that the following issues arise for determination in this adjudication: -

- (i)** Whether the declared description and quantity of the goods mentioned in the Bill of Entry No. 7215638 dated 30.01.2026 is liable for rejection or otherwise;
- (ii)** Whether the declared value of the goods imported under Bill of Entry No. 7215638 dated 30.01.2026, i.e. **Rs. 13,67,252 /-** is liable for rejection under Rule 12 of the CVR, 2007 and required to be re-determination as **Rs. 36,52,560/-** in terms of Rule 4 and 5 of CVR,2007.
- (iii)** Whether the impugned goods are liable for confiscation under Section 111 (d), 111 (l) and 111(m) of the Customs Act, 1962 as applicable or otherwise;
- (iv)** Whether the importer is liable to penalty under Section 112 (a)(i), 112 (a)(ii) and 114AA of the Customs Act, 1962.

11. After having identified and framed the main issues to be decided, I now proceed to deal with each of the issues individually for analysis in light of facts, submissions, circumstances of the case, provisions of the Customs Act, 1962 and nuances of various judicial pronouncements.

12. Regarding the first issue of the case, I find that M/s. Nysha Enterprise has filed Bill of Entry no. 7215638 dated 30.01.2026 at APSEZ for clearance of Iron Screw and Concrete Nail as detailed in Table-I above. On the basis of intelligence, the subject consignment was put on hold by SIIB, Mundra. The goods were examined by the officer of SIIB, Mundra on 09.02.2026 at the premises of M/s. OWS Warehouse Services LLP, Adani Port & SEZ, Mundra in the presence of Shri Narendra Sinh G. Jadeja, authorised representative of the importer M/s. Nysha Enterprise and Shri Mansukhbhai Ramjibhai, Senior Executive of M/s. OWS Warehouse Services LLP, APSEZ, Mundra.

12.1 I noticed that during the course of examination, a total of 1122 bags were found in the container, of which screws were found in 1080 bags and nails were found in 42 bags; each bag having an approximate weight of 25 kg

in respect of both items. Details of goods declared and found during the examination as detailed below: -

Sr. No.	Items Declared	Total quantity declared	Items found on examination	Total quantity found
1.	Iron Screw	1030 Kg	Cross Recessed Screw	27000
2.	Concrete Nails	22480 Kg	Concrete Nails	1050
TOTAL		23510 Kg		28050 Kg

In view of the above, the goods were found mis-declared in terms of Item description and quantity, therefore, I hold that quantity declared by the import is liable to be rejected and the same is to be re-determined as Table-IV.

13. Regarding the second issue of the case, I find that the physical examination of the import consignment showed a mismatch with the declared description, quantity and declared classification of the goods. As a result, declared CIF values of goods in the said import documents cannot be considered as the values that truly or correctly represent the goods actually imported. Therefore, there are enough reasons to believe that the declared values do not represent the actual transaction value and, consequently, liable for rejection in terms of Rule 12 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007.

13.1 I find that the transaction value of the items, sought to be imported under the impugned bill of entry, cannot be determined under the provisions of sub-rule (1) of Rule 3 of the rules *ibid* and the correct value needs to be ascertained and arrived at by proceeding sequentially in accordance with Rules 4 to 9 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007.

13.2 I find that that as per NIDB data, there have been several contemporaneous imports of impugned goods of same origin and in comparable quantities during the relevant period. It, therefore, appeared that in terms of Rule 4 & 5 of the CVR 2007, the value of the impugned goods was liable to be re-determined.

13.3 Therefore, I conclude that investigation report has rightly proposed re-determination of assessable value under the provision of rule 4 & 5 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 and the differential duty to the tune of **Rs.9,32,411/- (Rupees Nine Lakh Thirty Two Thousand Four Hundred and Eleven only)** are recoverable from the importer in terms of Section 14 and Section 17(4) of the Customs Act, 1962.

14. Regarding the third issue of the case in respect of confiscation, I find that there are three separate issues involved in the prohibition of the goods found during the examination as ‘Cross Recessed Screw’ (Sr. No. 1 of Table-IV) imported by the way of mis declaration i.e. (i) BIS as per IS 18471:2023 and (ii) DGFT import policy i.e. as per notification 55/2023 dated 03.01.2024 and (iii) Non-compliance of SIMS.

14.1 I find that the goods mentioned at Sr. No. 1 of table-IV are found as “Cross Recessed Screw” and same falls under the compulsory registration with BIS as per IS No. 18471:2023 dated 27.08.2025 w.e.f. from 01.11.2025. The Ministry of Steel vide its order dated 13.01.2026 has extended the BIS exemption for the said goods whose entry inward date between 01.11.2025 to 12.01.2026. In the present case the entry inward of the goods is 28.01.2026 which is out of the exemption period issued by Ministry of Steel. Therefore, the goods are non-compliant with BIS standard and are liable for confiscation under Section 111(d) of the Custom Act, 1962.

14.2 I find that as per Policy Condition 2 & 3 of Chapter 73, The importer goods at Sr. No. 1 of Table-I has declared as Iron Screw however, the goods were found mis-declared during the examination i.e. Cross Recessed Screws. Accordingly, the mis-declared goods become prohibited for import. The importer has submitted SIMS application No. MOSSIMS290126430569 dated 29.01.2026 with short quantity i.e. 1030 Kg for the same. Further, the importer has submitted SIMS application No. MOSSIMS290126430570 dated 29.01.2026 for the goods mentioned at Sr. No. 2 of Table-I. From the above para, it clearly appears that the mis-declared goods mentioned at Sr. No.1 of Table-III i.e. Cross Recessed Screws were prohibited in compliance of BIS as per above said Notification and non-compliance of SIMS.

14.3 I find that the valuation of the screws was redetermined under Rules 4 & 5 of CVR, 2007; Since the value exceeds the threshold price of ₹129 per kg prescribed under Notification No. 55/2023 dated 03.01.2024, I find that the said screws are permissible for import in compliance of MIP only. In view of the above, it is established that the “Cross Recessed Screw” complies only with the policy relating to MIP under DGFT Notification No. 55/2023 dated 03.01.2024; however, the said goods are non-compliant with BIS requirements and lack a valid SIMS. Therefore, the goods are liable for confiscation under Sections 111(d), 111(l), and 111(m) of the Customs Act, 1962.

14.5 In addition to above, I find that the Concrete Nails were mis declared in terms of quantity. The importer failed to furnish the correct information such as item quantity hence, contravened the provisions of Section 46 of the

Customs Act, 1962. I observed that these acts of omission and commission on the part of the importer rendered the goods liable for confiscation under the provisions of Section 111(m) of the Customs Act, 1962.

15. Regarding the fourth issue of penalty imposition, I find that the evidence clearly indicates that the mis-declared goods mentioned at Sr. No. 1 of Table-IV i.e. Cross Recessed Screws were prohibited for non-compliance of BIS and SIMS. Accordingly, the said goods are liable for confiscation under Section 111(d), 111(l) and 111(m) of The Customs Act, 1962. Consequently, the proposal for imposition of penalty under Section 112(a)(i) is correct and sustainable in law.

15.1 Further for remaining goods, I find that it is clear from the provision that penalty under Section 112(a)(ii) can be imposed in cases where the acts or omissions of the importer/noticee renders the goods liable for confiscation under Section 111 of the Act. From the discussions so far, I find that the evidences clearly indicating mis-declaration in terms of quantity on their part in respect of the imported goods warranting imposition of penalty under Section 112 (a) (ii) as the fact of mis-declaration was known to the importer and not the department on the grounds of self-assessment. Therefore, penalty imposition on importer under Section 112(a)(ii) of the Customs Act, 1962 is correct and sustainable in law.

15.2 I find that the Investigating Agency proposed imposition of penalty on the Importer u/s. 114AA of the Customs Act, 1962. I find that despite being well aware of the nature of the imported goods, importer, consciously mis-declared the quantity, valuation of the goods which found to be incorrect during the course of investigation. Further, Importer tried to clear the imported goods which were non-compliant with BIS and SIMS. These acts of omission and commission on the part of the importer made the provisions of Section 114AA invocable. Therefore, I agree with the proposal of imposition of penalty on the importer u/s. 114AA *ibid*.

16. In view of the above facts of the case and findings on record, I pass the following order: -

ORDER

- (i) I order to reject declared description and quantity of the goods as mentioned in Table-I above; under Bill of Entry No. 7215638 dated 30.01.2026 and order to redetermine the same as per Table-IV;
- (ii) I reject the declared assessable value of the goods in Bill of entry no. 7215638 dated 30.01.2026 i.e. **Rs. 13,67,252/-** (Rupees Thirteen Lakh Sixty-Seven Thousand Two Hundred and Fifty-Two only) under Rule 12 of CVR, 2007 and order to re-determine the

same as **Rs. 36,52,560/-** (Rupees Thirty-Six Lakh Fifty-Two Thousand Five Hundred and Sixty only) in terms of Rule 4 & 5 of the CVR, 2007 read with section 14 of Customs Act, 1962.

- (iii) I order to re-assess the Bill of entry no. 7215638 dated 30.01.2026 on the basis of revised valuation and quantity (as per Table No.-V hereinabove). I order to recover the re-determined duty arrived on re-assessment of bill of entry along with applicable interest.
- (iv) I order to confiscate the impugned goods i.e. "Cross Recessed Screw" (mentioned at sr. no. 1 of Table-IV) having re-determined value of **Rs. 35,95,104/- (Rupees Thirty-Five Lakh Ninety-Five Thousand One Hundred and Four only)** under Section 111 (d), 111(l) & 111(m) of the Customs Act 1962; I order to confiscate the impugned goods imported vide Bill of Entry No. 7215638 dated 30.01.2026 (Sr no. 2 of table IV) having re-determined value of **Rs. 57,456/- (Rupees Fifty-Seven Thousand Four Hundred and Fifty-Six only)** under Section 111(m) of the Customs Act 1962; However, I give an option to the importer to redeem the goods for re-export only on payment of Redemption Fine of **Rs. 3,65,000/- (Rupees Three Lakh Sixty-Five Thousand only)** under the provisions of section 125 of the said Act *ibid*.
- (v) I impose penalty of **Rs 1,80,000/- (Rupees One Lakh Eighty Thousand only)** on the importer i.e. M/s. Nysha Enterprise under Section 112 (a)(i) of the Customs Act, 1962.
- (vi) I impose penalty of **Rs. 5,000/- (Rupees Five Thousand only)** on the importer i.e. M/s. Nysha Enterprise under Section 112 (a)(ii) of the Customs Act, 1962.
- (vii) I impose penalty of **Rs. 50,000/- (Rupees Fifty Thousand only)** on the importer i.e. M/s. Nysha Enterprise under Section 114AA of the Customs Act, 1962.

18. This order is issued without prejudice to any other action which may be contemplated against the importer or any other person under provisions of the Customs Act, 1962 and rules/regulations framed thereunder or any other law for the time being in force in the Republic of India.

Dipak Zala,
Additional Commissioner,
Custom House, Mundra.

By Speed Post/Regd. Post/E-mail/Hand Delivery

CUS/APR/INV/303/2026-Gr-4

To,

M/s Nysha Enterprise, 248-249,
First Floor, Block D-15, Sector-3, Rohini,
New Delhi-110085.

Copy to:

1. The DC/AC, RRA/SIIB/TRC/EDI, Mundra Customs.
2. Notice Board/Guard File.